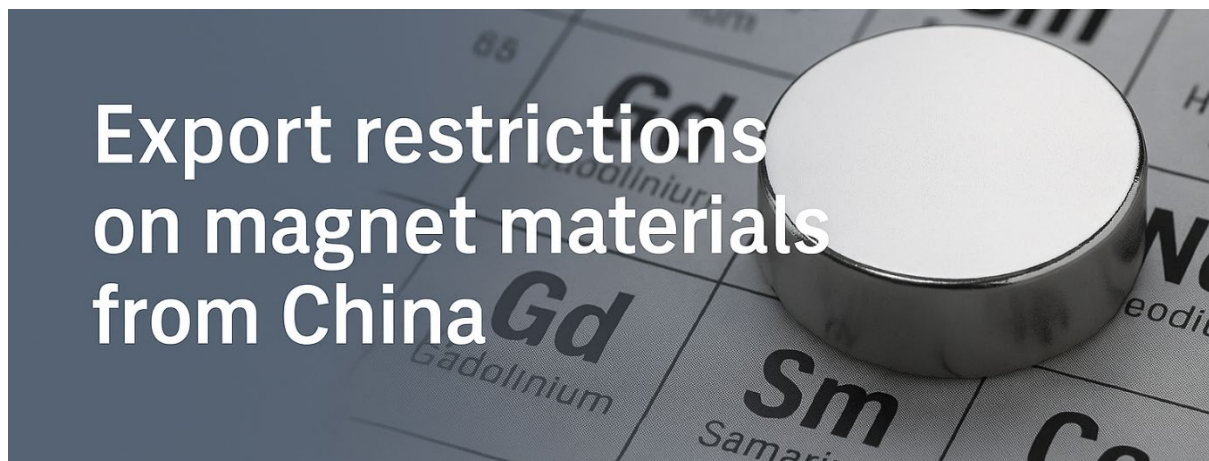


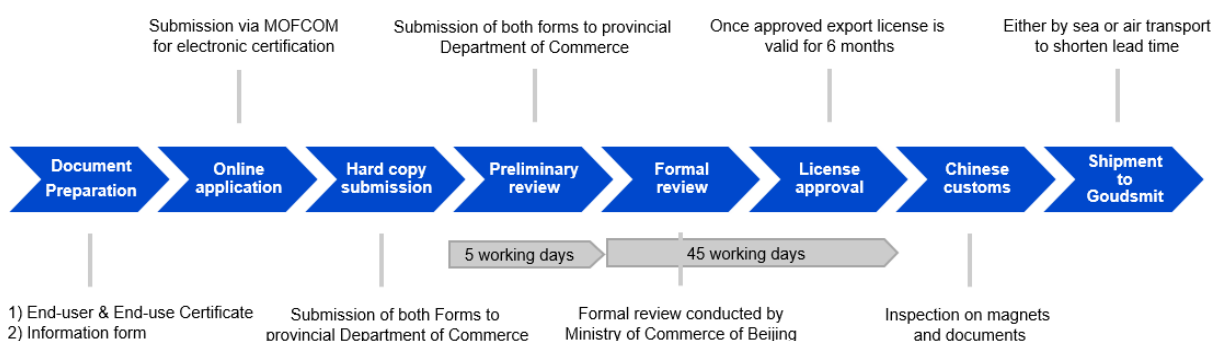
Export restrictions on rare earth metals for magnetic materials from China



Last update: May 22, 2025

As of April 4, 2025, China has introduced new export restrictions on rare earth metals that are essential for the production of magnets. This measure has a direct impact on the global supply chains of Neodymium-Iron-Boron (NdFeB) and Samarium-Cobalt (SmCo) magnets, leading to longer lead times and rising costs.

Although our Chinese suppliers hold the necessary export licenses, the government now requires individual approval for each shipment that contains so-called Heavy Rare Earths (HREs). In practice, lead times are further extended due to customs congestion and limited container and transport capacity. The approval process is explained in the visualization below.



Which Heavy Rare Earth materials are affected by the restrictions?

The new export measures apply to the following rare earth elements:

- Praseodymium (Pr)
- Dysprosium (Dy)
- Terbium (Tb)
- Samarium (Sm)
- Gadolinium (Gd)
- Yttrium (Y)

These elements are critical for high-performance magnets, especially in applications where high temperatures, corrosion resistance, or magnetic stability are required.

What does this mean for you?

- **Extended lead times:** All individual magnets and finished products may experience delays. We are doing everything possible to minimize this.
- **Availability:** Customs capacity in China is limited, putting pressure on the global availability of magnetic materials.
- **Pricing:** Increased raw material and transport costs are likely to result in price increases.

What is Goudsmit doing?

We take this situation very seriously and are taking proactive steps to minimize the impact on our customers.

- Close collaboration with our suppliers and logistics partners
- Optimizing inventory and transport planning to reduce lead times
- Offering alternative magnet grades or material suggestions where possible to avoid restricted elements
- Transparent communication about lead times, availability, and price developments
- Customer-specific advice for inventory management, risk mitigation, and project planning

We advise you to take this into account in your planning and to contact us in time for strategic inventory management.

We appreciate your understanding and patience as we navigate this evolving situation. Please rest assured that we remain committed to providing the highest level of service and will do everything possible to manage these delays effectively.